

**REMARKS**

Claims 1-45 remain in this case for consideration. Claims 1, 15, 25, 35, 43 and 45 have been amended to better define Applicant's invention. Support for these amendments can be found, among other places, on pages 6-8 of Applicants' specification.

**A. Formal Matters**

Applicants' replacement drawings have been objected to as failing to comply with Patent Office rules. Apparently, the objection is directed to the lack of a "Replacement Sheet" notation in the top margin of each sheet. To overcome this basis of objection, Applicants have resubmitted their formal replacement drawings with the notation "Replacement Sheet" at the top margin of each sheet.

Applicants' claims 22 and 26 have been objected to because they were incorrectly labeled in Applicants' previous amendment as "original," rather than "currently amended." To overcome this basis of objection, claims 22 and 26 have been correctly labeled in Applicants' present amendment as "previously presented."

**B. Prior Art Rejections**

**1. The Invention**

Applicants have invented an improvement to wireless technology which allows multiple accounts, each with an account balance, to be internally stored and managed within a wireless device. In some preferred embodiments, these multiple accounts include prepaid accounts and credit limit accounts. In other preferred embodiments, the internally stored accounts correspond to a first and second line. The first line might be used, for example, for business calls while the second line is used for personal calls.

**2. The Cited Art Distinguished**

Applicants' claims 1-3, 6-7, 9, 25-26, 29 and 33 have been rejected as being "anticipated" under 35 U.S.C. § 102(e) by Carlsson's U.S. Patent No. 6,026,291 ("Carlsson

patent"). The Carlsson patent discloses a cellular system in which multiple accounts for each cellular telephone can be maintained at the Home Location Register ("HLR") in the wireless provider's offices. In operation, the user can select an appropriate HLR account which choice is then communicated to an HLR computer at the wireless provider's offices. The wireless provider then calculates the appropriate call charges in the HLR computer at their offices and applies those charges to the appropriate HLR account maintained at their offices.

Applicants' invention is fundamentally different from Carlsson's network centric system. In Applicants' invention, the accounts with their account balances are stored and maintained on the wireless device itself, rather than at a distant network computer. While the usage calculations in Applicants' invention can be made either on the wireless device or at the network, the calculated charges are applied to an appropriate account balance which is stored within the wireless device. If the appropriate internally stored account is a prepaid account or credit limit account, calls can be immediately restricted or cutoff when prepaid funds are exhausted or the credit limit is reached. Applicants submit that an advantage of maintaining the accounts within the wireless device, rather than on a distant network computer as in the Carlsson patent, is that the user can readily see their account balance and usage limits can be more easily enforced in real time.

In the office action, the Examiner appears to dispute that Carlsson's "subscription accounts" are stored at the wireless provider's office rather than, as in Applicants' invention, on the wireless device itself. For example, on page 4 of the office action, the Examiner cites three portions of the Carlsson specification to argue that Carlsson's "subscription accounts" are supposedly internally stored in the wireless device (i.e., col. 3, lines 16-31, 34-38; col. 5, line 43 - col. 6, line 5; Figs. 5-6). Applicants' undersigned attorney has carefully reviewed the portions of Carlsson's specification cited by the Examiner and can find no teaching of subscription accounts which are internally stored in the wireless device. In fact, a careful reading of Carlsson's entire specification demonstrates the opposite.

FIGs. 3 and 4 of the Carlsson patent show that Carlsson's "subscription register" is stored on the network's "HLR" computer, which is illustrated to be entirely separate from the wireless device or "cellular telephone terminal 145." In column 2, lines 9-12 of Carlsson's

specification, Carlsson states that "home location register (HLR) comprises separate registers or storage means for separately storing user, terminal and subscription information." At column 5, lines 22-27, Carlsson states that "FIG. 4 shows a user within the coverage area of, for example, the Dallas HLR 200a using a terminal whose terminal record is stored within the Austin HLR 200b, *while charging calls to the user's company subscription assigned to the Houston HLR 200c*" (emphasis added). From this description, it is clear that if the user's wireless device or "terminal" is in Dallas and the subscription account is in Houston, the Carlsson subscription account is plainly not "internal" to the wireless device. As previously noted, this point is also clear from the FIG. 4 diagram showing the Dallas located wireless terminal 145 being entirely separate from the Houston located "subscription register" 210. In then describing the FIG. 5 drawing relied upon by the Examiner, the Carlsson specification states that "FIG. 5 is a block diagram illustrating an exemplary record within a users subscriptions list *stored within an HLR...*" (Carlsson patent, col. 5, lns. 36-37). Similarly, with respect to FIG. 6, the Carlsson specification states that "FIG. 6 is a block diagram illustrating an exemplary subscription record *stored within an HLR...*" (Carlsson patent, col. 6, lns. 5-6). For these reasons, the Carlsson patent unequivocally teaches that the billing accounts are stored in the HLR subscription records at the network computers and not in the wireless device as in Applicants' invention. Applicants' pending claims are plainly not anticipated by the network centric Carlsson patent.

Applicants' claims 4-5, 10-11, 15-18, 20-24, 27, 30-31 and 35-45 have been rejected as being "obvious" under 35 U.S.C. § 103(a) over the Carlsson patent in view of McGregor's U.S. Patent No. 5,577,100 ("McGregor patent"), either alone or in view of "well known prior art". Applicants are well aware of the McGregor patent since the McGregor patent is commonly owned with the present application and was discussed on the first page of Applicants' specification. While Applicants acknowledge that the McGregor patent discloses a pioneering wireless system where an account can be maintained on the wireless device, Applicants nonetheless submit that this pioneering McGregor disclosure does not render the present improvement inventions unpatentable for being "obvious."

On the issue of "obviousness," the Patent Office bears the burden of establishing a case of *prima facie* obviousness. *In re Fine*, 837 F.2d 1071, 1074 (Fed.Cir. 1988). To determine

whether or not the claimed subject matter can properly be viewed as being "obvious" under 35 U.S.C. § 103, "the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved... Such secondary considerations as commercial success, long felt but unsolved need, failure of others, etc. might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented." *Graham v. John Deere Co.*, 383 U.S. 1, 17-18, 86 S.Ct. 684, 694, 15 L.Ed.2d 545 (1966).

In order to properly combine references for an obviousness determination, there must be a suggestion or motivation in the references to make such a combination. *In re Gordon*, 733 F.2d 900, 902 (Fed.Cir. 1984) ("The mere fact that the prior art could be so modified would not have made the modification obvious unless the prior art suggested the desirability of the modification"). Moreover, a "useful general rule" is that references which "teach away cannot serve to create a *prima facie* case of obviousness." *McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1354 (Fed.Cir. 2001) (citations omitted). "Proceeding contrary to the accepted wisdom... is 'strong evidence of unobviousness.'" *Ruiz v. Foundation Anchoring Systems, Inc.*, 234 F.3d 654, 667 (Fed.Cir. 2000) (citations omitted). With these legal principles in mind, the merits of the obviousness rejections will now be addressed.

Turning first to the McGregor patent, while the McGregor patent discloses a wireless system where account information can be stored on the wireless device, it contains no disclosure or suggestion of the present invention of using *multiple* accounts stored on the wireless device. While, the Carlsson patent, on the other hand, has some teaching of multiple accounts, it affirmatively teaches away from the present invention by disclosing that such accounts need to be maintained at the network so that account information can be readily transferred between the home switch's HLR and a Visitor Location Register ("VLR") at a different switch when the cellular phone is "roaming" (see, Carlsson Fig. 2 and col. 5, lns. 22-34). Since there is no "suggestion" to combine the McGregor and Carlsson patents in the manner suggested by the Examiner and there is, in fact, an affirmative "teaching away", the McGregor and Carlsson patents cannot be combined to render any of Applicants' pending claims unpatentable as being "obvious."

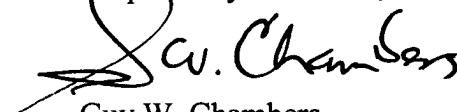
Applicants' claims 8 and 28 have been rejected as being "obvious" under 35 U.S.C. § 103(a) over the Carlsson patent in view of Julin's U.S. Patent No. 6,212,372 ("Julin patent"). Like the Carlsson patent, the Julin patent discloses a network centric system in which call charges can be made to either of two accounts. In Julin's preferred embodiments, the identities of the two accounts are stored at opposite ends of a subscriber identity module ("SIM"). By choosing which end of the SIM to insert into the mobile telephone, the user can select which account to use. When the user plugs a chosen end of the SIM into the mobile telephone, the selected account information is communicated to the HLR at the wireless provider's network computer (see, Julin patent, col. 4, lns. 43-49). The wireless provider's network computer then calculates call charges in the standard way and applies those call charges to the chosen account stored at the network computer. Since both the Carlsson and Julin patents disclose network centric systems and Applicants have invented a system where account information is stored and maintained on the wireless device, neither the Carlsson nor the Julin patents, alone or in any combination, would render any of Applicants' claims invalid as being "obvious."

Finally, Applicants' claims 12, 13-14, 32 and 34 have been rejected as being "obvious" under 35 U.S.C. § 103(a) over the Carlsson patent in view of Vazban's PCT application number WO 97/45814 ("Vazban PCT Application") or "well known prior art." The Vazban PCT Application discloses a wireless terminal which can be used to make purchases or transfer electronic cash. In the preferred embodiment, Vazban's wireless terminal electronically collects purchasing information from an electronic vending device and sends that purchasing information back to a network computer to help consummate a purchase. The "well known prior art" purportedly discloses a prepaid account. Again, like the Carlsson and Julin patents, neither the Vazban PCT Application nor the "well known prior art" discloses Applicant's invention of a wireless device which allows the user to select an internally stored account from a plurality of internally stored accounts and then adjusts the selected internally stored account with the calculated usage charges. For these reasons, neither the Carlsson patent, the Vazban PCT Application nor the "well known prior art", either alone or in combination, would render any of Applicants' pending claims invalid as being "obvious."

**CONCLUSION**

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested. If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at (415) 576-0200.

Respectfully submitted,



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**Amendments to the Drawings:**

The accompanying three sheets of formal drawings includes changes to original Figs. 1-4. Each sheet is labeled in the top margin as being a "Replacement Sheet". These three sheets of formal drawings replace the informal drawings which were submitted with the present application when filed.

Attachments: Three "Replacement Sheets" Of Formal Drawings